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CHAIRMAN

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PUBLIC UTILITIES COMMISSION
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AUGUSTA, MAINE
04333-0018

STEPHEN L. DIAMOND
SHARON M. REISHUS
COMMISSIONERS

June 30, 2006

RE: Revised Application for Approval of Issue of Securities

This letter is to inform you that we have revised the Application for Issue of Securities (application) that is used by utilities to request authorization under 35-A M.R.S.A. §§901 – 912, Approval of Stocks, Bonds, and Notes by Public Utilities Commission, and 35-A, M.R.S.A. §§1101 - 1105, Authorization of Sales, Leases, and Mortgages of Property. The previous application did not provide the Commission staff with all the necessary information to fully evaluate the requests. The new application is available in Word and PDF format on our web page at: http://www.maine.gov/mpuc/doing_business/forms/forms_util.html

Besides a change in the general format and wording to clarify the information requested, the new application requires the applicant provide us with information on its financial position at the close of its last fiscal year and for the current year to date. Current year financial information should reflect the applicant's results and position through and as of a date that is no more than two months prior to the date of the application. The previous application requested only a copy of the applicant's balance sheet. The revised application also requests copies of the income statement and cash flow statement. In addition, the new application also requires the applicant to provide the amount of its unrestricted cash balances, combined depreciation and amortization expenses, and annual debt repayment. The applicant should indicate whether entering into this obligation will require it to request an increase in its rates, and if it does, to provide the estimated amount and percent of any increase. This information will allow staff to more readily determine the applicant's ability to meet the increased debt service obligations that it is proposing to incur and the future impact on the ratepayers.

We are no longer requiring that the applicant attach copies of its charters, articles of incorporation and/or by-laws with the application. The applicant should indicate by name and title the officer or other person who has reviewed those documents to ensure that the proposed issuance will not cause any violation to those terms. If applicant has used an outside party to complete this review, applicant should include as an attachment a letter from that party stating that the review was performed and the results of that review. As in the past, the applicant should provide copies of the Commitment Letter from the lender and copies of the authorization for the issuance by the appropriate body, whether board of directors or trustees.



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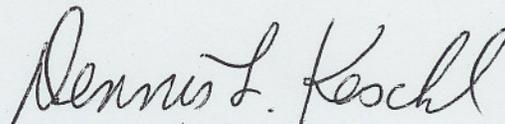
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We work to process the securities applications as efficiently as possible and feel that the changes to the application will allow us to do that. If you have any questions related to this application, please feel free to contact Lucretia A. Smith at (207) 287-1383 or by e-mail Lucretia.Smith@maine.gov or Richard S. Kivela at (207) 287-1562 or by e-mail Richard.Kivela@maine.gov.

Sincerely,

A handwritten signature in cursive script that reads "Dennis L. Keschl". The signature is written in dark ink and is positioned above the printed name and title.

Dennis Keschl
Acting Administrative Director